



## **AESC Insights**

**Q2 2011**

# **State of the Executive Search Industry**

Strength of Demand for Executive Talent Continues:  
Q2 Data Indicates C-suite Recruiting is on the Rise across all Major Regions - with  
Particular Strength in New Markets



## AESC State of the Executive Search Industry Q2 2011

The AESC State of the Executive Search Industry Report is quarterly research carried out by the Association of Executive Search Consultants (AESC) since 2004 on trends in the global retained executive search industry. Data for the report is collected from a consistent sample of AESC member search firms representing the activity of 1430 executive search consultants in 46 countries worldwide. The AESC estimates that annual net revenues for the worldwide retained executive search industry totaled \$9.55 billion in 2010.

### **STRENGTH OF DEMAND FOR EXECUTIVE TALENT CONTINUES**

*Q2 Data Indicates C-suite Recruiting is on the Rise across all Major Regions -  
with Particular Strength in New Markets*

Second quarter data just released by the global Association of Executive Search Consultants (AESC) revealed a continued rise in senior executive recruitment activity worldwide following the industry's return to growth since early 2010. The number of new executive search mandates rose +8% year-on-year (from Q2 2010 to Q2 2011), while the quarterly picture saw searches increase by +5.4% (from Q1 2011 to Q2 2011).

Most industries experienced a steady upward trend in the second quarter of 2011 with significant quarterly and yearly growth, including the Industrial, Consumer, Life Sciences/Healthcare and Financial Services sectors. Financial saw the most notable quarterly rise, up +19%, as it continued to regain its former leading market position. Technology was the only industry to fall in senior executive recruitment activity, both yearly (-3%) and quarterly (-6.7%), in Q2 2011.

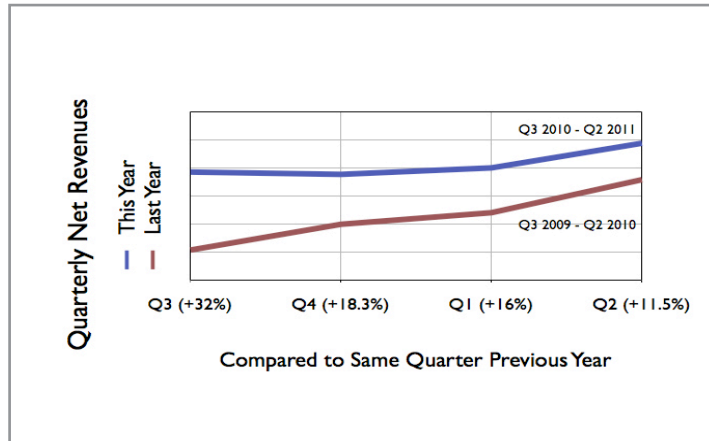
AESC President, Peter Felix, commented: "During the past quarter executive search has once again shown considerable strength in most parts of the world and even shows promise of soon surpassing its all time peak of 2008. Increased search activity has been seen in all major regions but especially in the emerging markets where Central/South America saw exceptional quarterly growth in the number of new searches started. The strength in other markets has been less consistent and there is some evidence that in established markets such as the UK, Germany and France there is a flattening of demand. Nevertheless the overall picture has been most encouraging. It only remains to be seen whether the volatility surrounding the debt crisis will affect top management's willingness to continue investing in the executive talent that it needs for the longer term."

## Average Net Revenues

Year-on-year trend: Q2 2010 to Q2 2011 +11.5% (*pictured below*)

Quarter-on-quarter trend: Q1 2011 to Q2 2011 +7.5%

*Trend in Quarterly Average Net Revenues, as Compared to Previous Year*

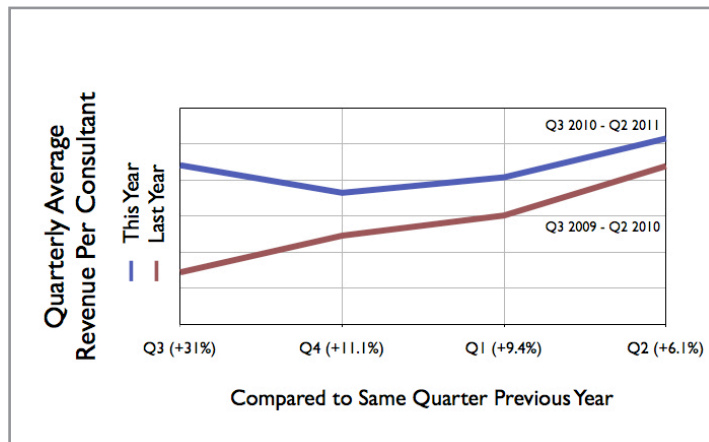


## Average Revenue Per Consultant

Year-on-year trend: Q2 2010 to Q2 2011 +6.1% (*pictured below*)

Quarter-on-quarter trend: Q1 2011 to Q2 2011 +9%

*Trend in Quarterly Average Revenue Per Consultant, as Compared to Previous Year*

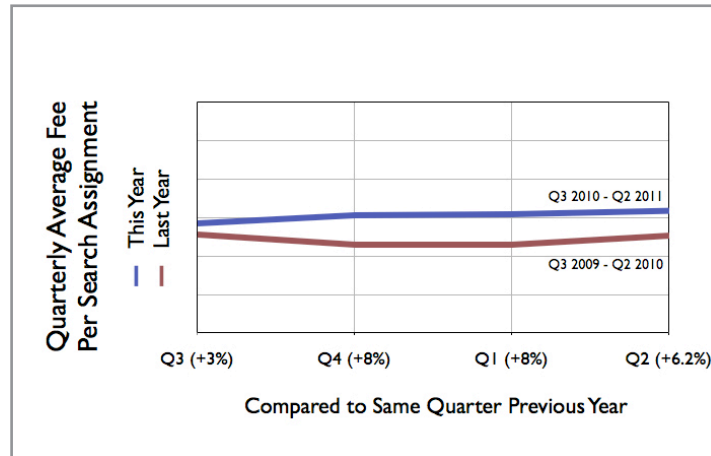


## Average Fee Per Search Assignment

Year-on-year trend: Q2 2010 to Q2 2011 +6.2% (pictured below)

Quarter-on-quarter trend: Q1 2011 to Q2 2011 +1%

*Trend in Quarterly Average Fee Per Search Assignment, as Compared to Previous Year*

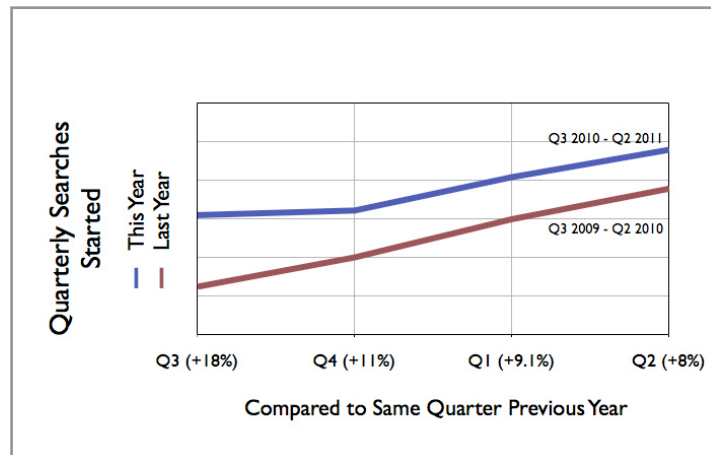


## Average Number of Searches Started

Year-on-year trend: Q2 2010 to Q2 2011 +8% (pictured below)

Quarter-on-quarter trend: Q1 2011 to Q2 2011 +5.4%

*Trend in Quarterly Average Number of Searches Started, as Compared to Previous Year*



# INDUSTRY TRENDS - Q2 2011

## Average Number of Searches Started by Industry

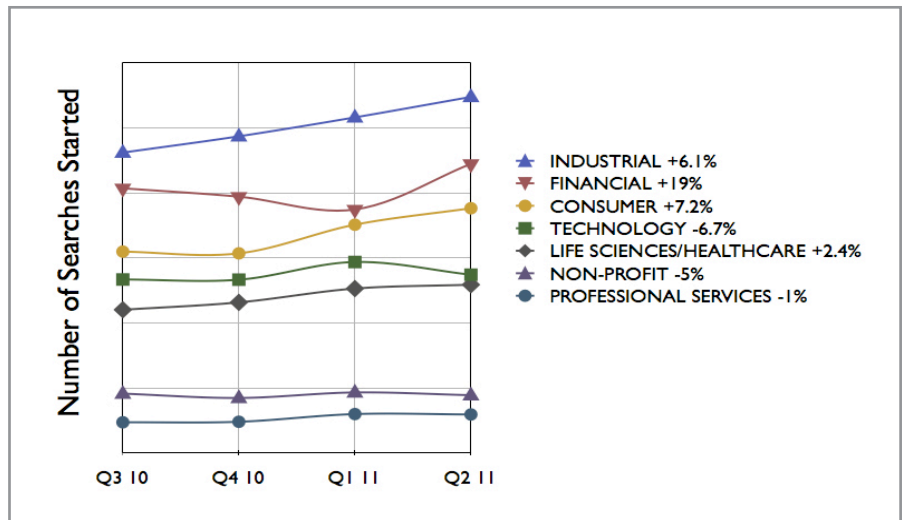
Year-on-year trend: Q2 2010 to Q2 2011

- Increasing: Life Sciences/Healthcare +15.4%, Industrial +11%, Consumer +11%, Financial +4% (Professional Services +7%, Non-Profit +7% ~ from a smaller survey sample)
- Decreasing: Technology -3%

Quarter-on-quarter trend: Q1 2011 to Q2 2011 (pictured below)

- Increasing: Financial +19%, Consumer +7.2%, Industrial +6.1%, Life Sciences/Healthcare +2.4%
- Decreasing: Technology -6.7% (Non-Profit -5%, Professional Services -1% ~ from a smaller survey sample)

*Trend in Average Number of Searches Started Quarterly, by Industry*

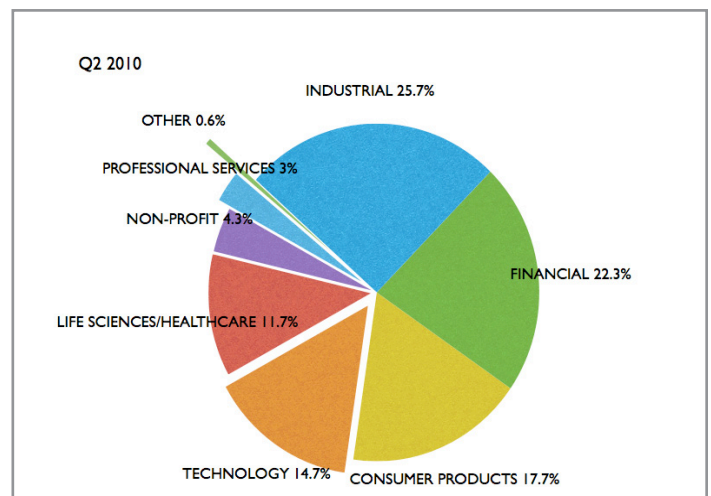
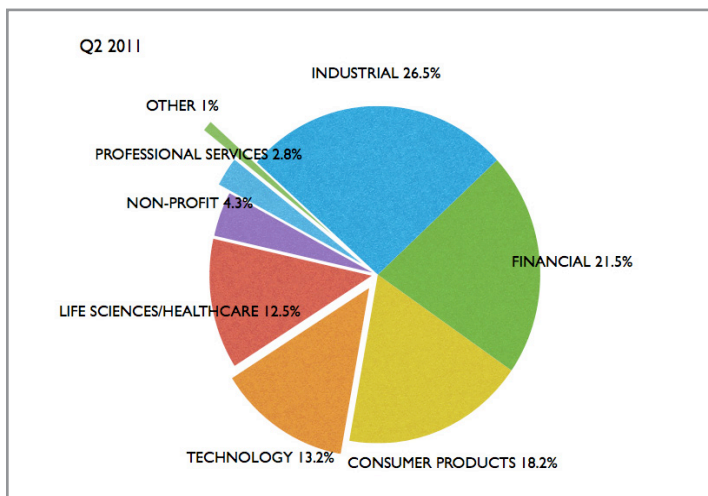


## Market Breakdown by Industry

Year-on-year trend: Q2 2010 to Q2 2011 (pictured below)

- Increasing: Industrial +0.8%, Life Sciences/Healthcare +0.8%, Consumer Products +0.5%
- Decreasing: Technology -1.5%, Financial -0.8%, Professional Services -0.2%
- No change: Non-Profit

*Searches Started Quarterly by Industry, as Percentage of Total*



## Average Number of Searches Started by Region

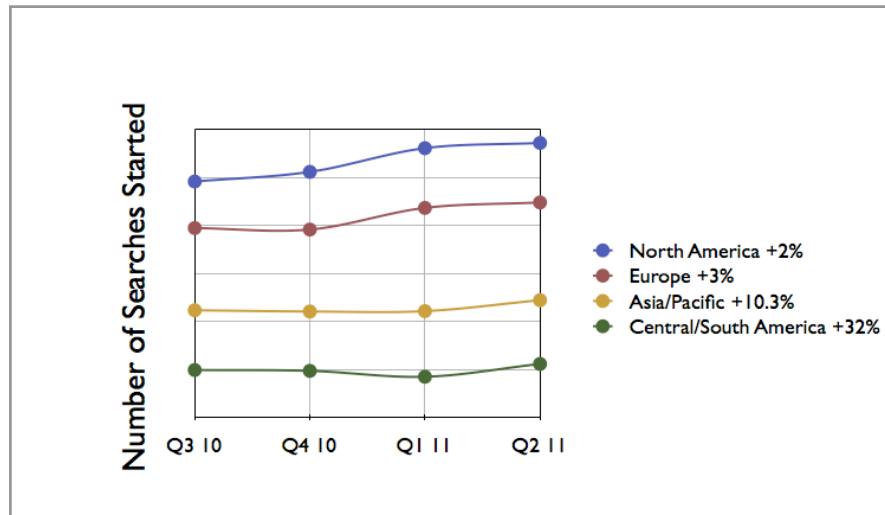
Year-on-year trend: Q2 2010 to Q2 2011

- Increasing: Central/South America +10.2%, North America +9.5%, Asia/Pacific +8%, Europe +5.5%

Quarter-on-quarter trend: Q1 2011 to Q2 2011 (pictured below)

- Increasing: Central/South America +32%, Asia/Pacific +10.3%, Europe +3%, North America +2%

*Trend in Average Number of Searches Started Quarterly, by Region*

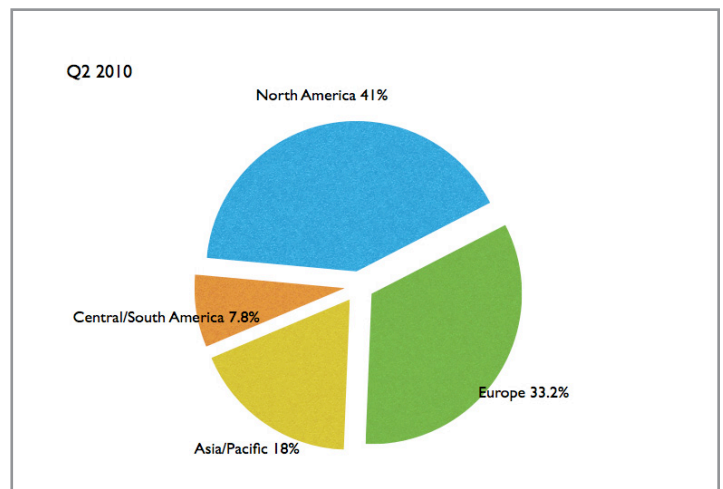
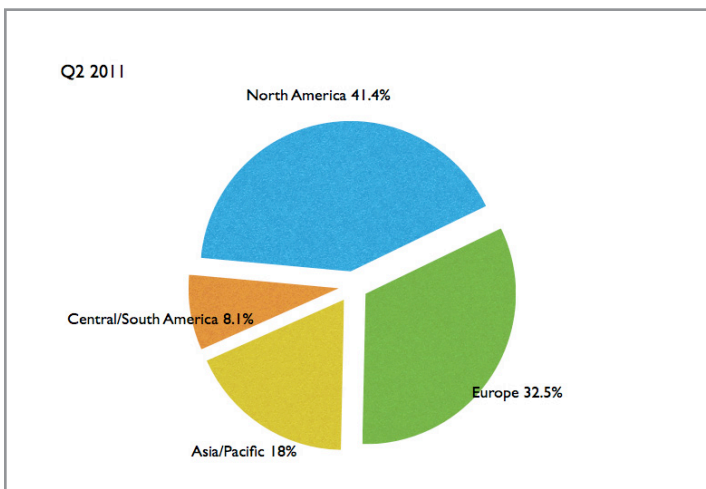


## Market Share by Region

Year-on-year trend: Q2 2010 to Q2 2011 (pictured below)

- Increasing: North America +0.4%, Central/South America +0.3%
- Decreasing: Europe -0.7%
- No change: Asia/Pacific

*Searches Started Quarterly by Region, as Percentage of Total*



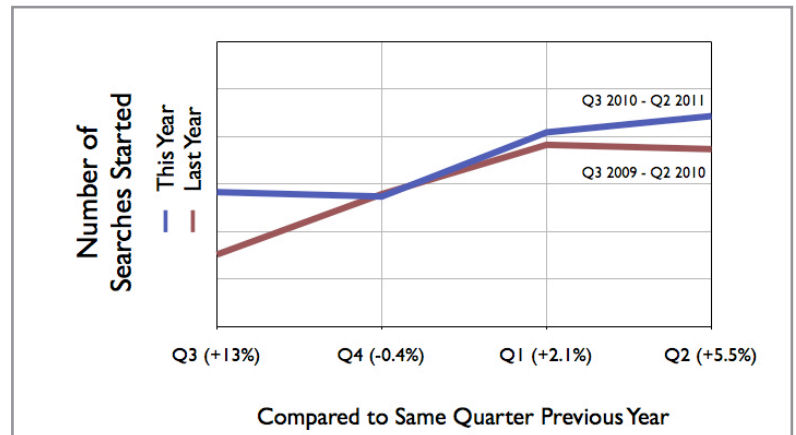
## REGIONAL TRENDS EUROPE - Q2 2011

### Average Number of Searches Started in Europe

Year-on-year trend: Q2 2010 to Q2 2011 +5.5% (pictured below)

Quarter-on-quarter trend: Q1 2011 to Q2 2011 +3%

*Trend in Quarterly Average Number of Searches Started in Europe, as Compared to Previous Year*

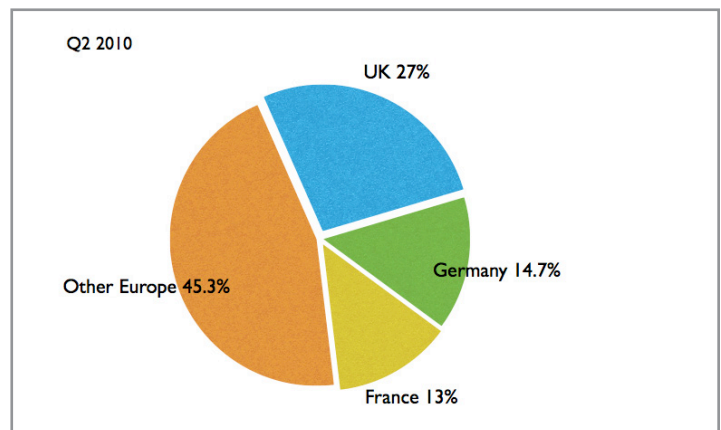
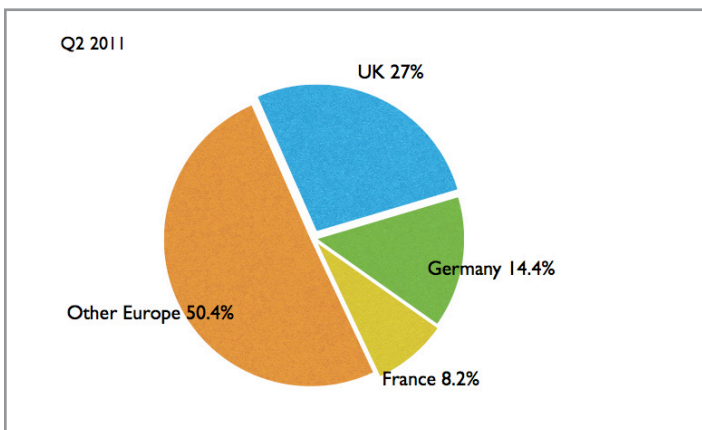


### Market Share by European Sub-Region \*

Year-on-year trend: Q2 2010 to Q2 2011 (pictured below)

- Increasing: Other Europe +5.1%
- Decreasing: France -4.8%, Germany -0.3%
- No change: UK

*Searches Started Quarterly by European Sub-Region, as Percentage of Total Europe*



\* Data for this question represents 570 executive search consultants in 46 countries, whereas data for all other questions represents 1430 consultants in 46 countries.

#### About The Association of Executive Search Consultants

The Association of Executive Search Consultants (AESC) is the worldwide professional association for the retained executive search industry. The AESC promotes the highest professional standards in retained executive search consulting, broadens public understanding of the executive search process, and serves as an advocate for the interests of its member firms. For more information, or to download the AESC Code of Ethics and Professional Practice Guidelines, please visit [www.aesc.org](http://www.aesc.org).

The AESC offers [www.bluesteps.com](http://www.bluesteps.com), a career management service for senior executives, and [www.executivesearchconnect.com](http://www.executivesearchconnect.com), a service for the HR community offering industry information and tools to assist with senior executive recruiting, including access to the AESC's International Executive Search Directory.